

WEIGHTED GUIDELINES PROFIT/FEE OBJECTIVE

(See instructions on Page 2)

| 1. CONTRACTOR IDENTIFICATION | a. COMPANY | | | b. DIVISION NAME <i>(If any)</i> | | |
|--|-----------------------------------|-----------------------|-----------------------|---|--------------------------------------|-------------------------------------|
| | c. STREET ADDRESS | | | d. CITY | | e. STATE f. ZIP CODE |
| 2. WEIGHTED GUIDELINES CATEGORY <i>(Check one)</i> a. <input type="checkbox"/> MANUFACTURING b. <input type="checkbox"/> RESEARCH AND DEVELOPMENT c. <input type="checkbox"/> SERVICES | | | | 3. TYPE OF CONTRACT | | |
| 4. BASIC PROCUREMENT INSTRUMENT IDENTIFICATION NO. | | | | | | 5. SPECIALIST NAME |
| a. PURCHASING OFFICE | | b. FY | | c. CAS PROD/SVCS CODE | | |
| | | | | d. PR NO. | | |
| 6. WEIGHTED GUIDELINES PROFIT FACTORS | | | | | | |
| PROFIT/FEE FACTOR OR SUBFACTOR <i>(a)</i> | Measurement Base <i>(b)</i> | PROFIT WAGE RANGES | | | ASSIGNED WEIGHT (%) <i>(f)</i> | PROFIT/FEE DOLLARS <i>(g)</i> |
| | | MFG (%) <i>(c)</i> | R&D (%) <i>(d)</i> | SVCS (%) <i>(e)</i> | | |
| PART I - CONTRACTOR EFFORT | | | | | | |
| 7. MATERIAL ACQUISITION | | | | | | |
| a. SUBCONTRACTED ITEMS | | 1 TO 5 | 1 TO 5 | 1 TO 5 | | |
| b. PURCHASED PARTS | | 1 TO 4 | 1 TO 4 | 1 TO 4 | | |
| c. OTHER MATERIAL | | 1 TO 4 | 1 TO 4 | 1 TO 4 | | |
| 8. ENGINEERING | | | | | | |
| a. DIRECT LABOR | | 9 TO 15 | 9 TO 15 | | | |
| b. OVERHEAD | | 6 TO 9 | 6 TO 9 | | | |
| 9. MANUFACTURING | | | | | | |
| a. DIRECT LABOR | | 5 TO 9 | 5 TO 9 | | | |
| b. OVERHEAD | | 4 TO 7 | 4 TO 7 | | | |
| 10. SERVICES | | | | | | |
| a. DIRECT LABOR | | | | 5 TO 15 | | |
| b. OVERHEAD | | | | 4 TO 8 | | |
| 11. OTHER COSTS | | | | | | |
| 12. GENERAL MGMT - G & A | | 6 TO 8 | 6 TO 8 | 6 TO 8 | | |
| 13. TOTAL EFFORT | | | | | | |
| PART II - CONTRACTOR RISK | | | | | | |
| 14. COST RISK | (Total from Col. b) | 0 TO 8 | 0 TO 7 | 0 TO 4 | | |
| PART III - FACILITIES INVESTMENT | | | | | | |
| 15. CAPITAL EMPLOYED | (Lines 8 of DOT F 4220.34) | 16 TO 20 | | | | |
| 16. BASIC PROFIT/FEE OBJECTIVE | | | | | | |
| <i>(Items 13 + 14 + 15, Col. g)</i> | | | | | | |
| PART IV - SPECIAL FACTORS | | | | | | |
| 17. SPECIAL PROFIT/FEE OBJ. | | | | | | |
| a. PRODUCTIVITY | | | | | | |
| b. INDEPENDENT DEVELOPMENT | | 1 TO 4 | 1 TO 4 | | | |
| c. OTHER | (Total from item 16) | -5 TO +5 | -5 TO +5 | -5 TO +5 | | |
| d. TOTAL SPECIAL PROFIT/FEE OBJECTIVE | | | | | | |
| 18. SUBTOTAL PROFIT/FEE OBJECTIVE | | | | | | |
| <i>(Items 16 + 17, Col. g)</i> | | | | | | |
| PART V - COST OF MONEY OFFSET | | | | | | |
| <i>(Applicable to Research and Development and Services Weighted Guidelines only.)</i> | | | | | | |
| 19. LESS: FACILITIES CAPITAL COST OF MONEY | | | | | | |
| 20. TOTAL PROFIT/FEE OBJECTIVE | | | | | | |
| <i>(Items 18-19, Col. g)</i> | | | | | | |

INSTRUCTIONS FOR COMPLETING FORM DOT F 4220.32, WEIGHTED GUIDELINES PROFIT/FEE OBJECTIVE

1. Complete Items 1 through 5 of the DOT F 4220.32 with special consideration given to the response to Item 2, Weighted Guidelines Category (see Introductory Remarks). The response to this item indicates if the acquisition is a manufacturing, research and development (R&D), or services effort. This decision will determine which weight ranges will be used in the weighted guideline calculations in Parts 1 through V. NOTE: Item 6, columns (a) through (g), serve as column headings for all parts.
2. **Part I, Contractor Effort.** Computing profit/fee dollars for each recognized cost element/factor or subfactor. NOTE: The amount calculated for the cost of money for facilities capital is not to be included as a cost element or within a cost element when computing Total Effort (Item 13).
 - a. Items 7 through 12, column (b). Under column (b), insert the amount for each factor/subfactor recognized by the contracting officer as applying to the acquisition.
 - b. Item 13, column (b). To derive the total for this item, add the amounts for items 7 through 12, column (b).
 - c. Items 7 through 12, column (f). To each factor/subfactor, assign a weight that is within the range specified for the category determined in Item 2.
 - d. Items 7 through 12, column (g). To derive the profit/fee dollars, multiply the amount in column (f) for each factor/subfactor with the amount in column (b) for the same factor/subfactor.
 - e. Item 13, column (g). To derive the total for this item, add Items 7 through 12, column (g).

NOTE 1: When "Other Costs" is a recognized cost, the contracting officer shall assign a weight determined appropriate for the category.

NOTE 2: For weight range adjustments for non-profit organizations, refer to the Introductory Remarks. The results of this adjustment are carried to the appropriate columns of the DOT F 4220.32.

3. Part II, Contractor Risk. Computing cost risk.

- a. Item 14, column (b). Insert the amount in Item 13, column (b).
- b. Item 14, column (f). Assign a weight that is within the range specified for the category determined in Item 2.
- c. Item 14, column (g). To derive the total for this item, multiply the weight assigned to Item 14, column (f), to the amount inserted in Item 14, column (b).

4. Part III, Facilities Investment.

- a. *Computing Capital Employed.* Complete if the category determined in Item 2 is "Manufacturing."

- (1) Item 15, column (b). Complete the DOT F 4220.34, Contract Facilities Capital and Cost of Money, and insert the amount in line 8, Contract Facilities Capital Employed, of the DOT F 4220.34.
- (2) Item 15, column (f). Assign a weight that is within the manufacturing weight range specified.
- (3) Item 15, column (g). To derive the total for this item, multiply the weight assigned in Item 15, column (f), to the amount inserted in Item 15, column (b).

- b. Computing Basic Profit/Fee Objective. Item 16, column (g). To derive the total for this item, add together items 13, 14, and 15, column (g).

5. Part IV, Special Factors.

- a. *Computing Special Profit/Fee Objectives.*

- (1) Productivity (Item 17a) and Independent Development (Item 17b).

- (i) Items 17a and 17b, column (b). In Item 17a, column (b), the amount for any efforts involving contractor productivity (manufacturing category only) and in 17b, column (b), enter the amount for Independent Development (manufacturing and R & D categories only) which warrant special recognition.
- (ii) Items 17a and 17b, column (f). In item 17a, column (f), enter a weight determined appropriate by the contracting officer and in Item 17b, column (f), assign a weight within the weight range specified.
- (iii) Items 17a and 17b, column (g). To derive Item 17a, column (g), multiply the weight assigned in Item 17a, column (f), to the amount inserted for Item 17a, column (b). To derive 17b, column (g), multiply the weight assigned for Item 17b column (f), to the amount inserted for Item 17b, column (b).

- (2) Other (Item 17c).

- (i) Item 17c, column (b). Insert the total from Item 16, column (g).
- (ii) Item 17c, column (f). Assign a weight within the weight range specified.
- (iii) Item 17c, column (g). To derive the total for this item, multiply the weight assigned in Item 17c, column (f), to the amount inserted for Item 17c, column (b).

- (3) Total Special Profit/Fee Objective (Item 17d, column (g)). To derive the total for this item, add together Items 17a, 17b, and 17c, column (g).

- b. *Computing Subtotal Profit/Fee Objective.* Item 18, column (g), is derived by adding Items 16 and 17, column (g).

6. Part V, Cost of Money Offset. This part applies only when the R & D or the Services category is marked in Item 2.

- a. Item 19, column (g). To derive the total of this item, complete DOT F 4220.34 and insert the amount in Line 6, Contract Facilities Capital Cost of Money of the DOT F 4220.34.
- b. Item 20, column (g). To derive the total for this item, subtract Item 19 from Item 18.